

## **Historic, Archive Document**

Do not assume content reflects current scientific knowledge, policies, or practices.



2117g  
p. 38  
nc



# THE Agricultural Situation

SEPTEMBER 1954

Volume 38, Number 9

LIBRARY  
CURRENT SERIAL RECORD

SEP 21 1954

## Extra Services Play Expanding Role In Marketing of Farm Products

**A**S CONSUMERS, do we stop to think that what we pay for food and other farm products doesn't all go to the farmer? A very large part of it goes to pay for marketing and transportation services.

And the part the farmer doesn't get has been increasing. This is true in the main because consumers buy less and less of the farmer's product in the *rough* form in which it leaves the farmer and buy more and more in a *finished* form. To put the stuff in the form the people want means extra work—an *extension of marketing services* of one kind or another—for which the buyer, of course, has to pay. Extra work for processing, for packaging, for handling, for the many different services that go into present-day marketing.

An example of the way in which an extension of marketing services tends to increase the costs involved is found in the marketing of wheat products. Most of the wheat sold by farmers used to be bought by consumers in the form of flour. Now most of it is sold to consumers in bread, cakes, pies and other bakery products. As we look back a few years, it is easy to recall the time when a

great many families—even those with moderate income—were able to employ household servants. During the past 15 or 20 years, wages and working conditions have improved and many homes are without servants. More and more housewives are doing their own work—taking advantage, of course, of the ready-prepared products and the many new services offered by present-day merchants.

Other examples of products involving a transfer of functions from the home to the marketing system are commercially prepared cake mixes, ready-to-cook poultry, pre-prepared vegetables that need no cleaning before cooking, and frozen precooked dinners. In buying these and similar products, consumers pay more money but it is paid in exchange for a saving in time and effort. The extra cost goes largely to labor.

The number of persons at work in marketing farm food products back in 1932 was estimated at a little over 3 million. Last year it had increased to nearly 5 million workers. Included were persons engaged in assembling, processing, wholesaling, retailing, and transporting farm products.

There are some other things involved in the increased costs besides the added services required in modern marketing. For one thing, the volume of food mar-

(Please turn to page 2)

THE AGRICULTURAL SITUATION is a monthly publication of the Agricultural Marketing Service, U. S. Department of Agriculture, Washington, D. C. The printing of this publication has been approved by the Director of the Budget (January 18, 1952). Single copy 5 cents, subscription price 50 cents a year, foreign 70 cents, payable in cash or money order to the Superintendent of Documents, U. S. Government Printing Office, Washington 25, D. C.

keted has increased. A big factor in boosting the cost of marketing, however, has been the change from the "cracker-barrel" era to the day of the fancy package. The increasing part played by labor in marketing farm products is described in detail by Kathryn Parr and Forrest E. Scott of the Agricultural Marketing Service, in the *May Marketing and Transportation Situation*, an AMS, USDA publication.

It is pointed out that although services performed by the marketing system have been extended in many directions, they have been contracted in others, notably by the introduction of self-service in many stores, and by reductions in delivery service and consumer credit in food retailing.

### Farmers Benefit

This article would not be complete, from the farmer's point of view or that of the consumer, if we did not call

#### Opposite Trends

ON PAGE 8 of last month's issue of the *Agricultural Situation*, we ran an article showing that less labor is now being used to grow various crops. By means of labor-saving machinery and better farm know-how farmers are producing most crops with less labor than ever before—less labor per acre, less per bushel, per ton and per bale.

Greater efficiency, and the fewer man-hours now required on farms has brought about a decline in the number of workers on farms. From 1929 to 1953, the number of family and hired workers on farms decreased from approximately 12.8 million to 8.6 million. In the marketing of farm products the trend is in the other direction, as the accompanying article shows. During the same period, the number of workers engaged in marketing farm food products increased from roughly 3 million to nearly 5 million.

The point to be noticed is that technology and improved production methods on farms have had the effect of turning loose about 4 million workers for nonfarm jobs, and a big part of that number already has been cancelled off by the big increase in workers now required in rendering marketing services—for which consumers are willing to pay. In addition, large numbers of farm youth—and some older people too—move every year into various city jobs. A great many from farms, of course, have gone into the armed services. And, last but not least in civic and social importance, more boys and girls from farms than ever before are now in school and college.

#### In This Issue

	Page
Extra Services Play Expanding Role in Marketing of Farm Products...	1
Weather Changes Farm Output Picture but Total Is Still Indicated Large.....	3
Getting Started With Irrigation in the Humid East.....	4
"Bert" Newell's Letter to Crop and Livestock Reporters.....	6
Study Shows Returns to Farmers by Types of Farms.....	7
Beef and Vegetable Dishes To Be Featured in Marketing Program. Looking at Cotton Supplies From All Sides.....	10
Outlook Highlights.....	11
Brief Items of Interest to Farmers...	13
The Agricultural Situation is sent free to crop, livestock, and price reporters in connection with their reporting work. Subscription rates on front cover.	16

attention to another important point.

Just because extra work plays an increasing role in the handling of farm products, between the farmer and the consumer, it doesn't follow that the farmer loses. If the marketing services are efficiently run (and based on output of marketing services per man-hour of labor employed, there has been definite improvement in this direction in recent years) farmers actually may get higher total returns even though the marketing services run into more money than formerly. The marketing services, by canning, freezing, and processing, by improved shipping methods and attractive packaging and display, are able to sell increasing quantities of the farmer's products. This means wider markets for what the farmer has to sell. It is one of the ways research in marketing helps both the farmer and the consumer.

A good example of getting more of a farm product used through research and through refinements in marketing is found in the expansion of citrus and citrus products. A few years ago with more and more trees coming into bearing, producers faced the problem of large surpluses. Research and the marketing agencies have largely found the answer through canning and freezing. Oranges and grapefruit that could never have been sold now go into frozen concentrate and other canned

(Continued on Page 13)

# Weather Changes Farm Output Picture

## But Total Is Still Indicated Large

**D**RY WEATHER following the July crop report had the effect of changing the 1954 farm production picture (*total output of crops and livestock for human use*) from an anticipated record high to third from high. The total farm output now indicated for 1954, based on the August crop report, is about 3 percent lower than was expected in July. It is a total exceeded only in 1952 and 1953, both big crop years.

The prospect of a 15 percent decline in corn production is largely responsible for a considerable drop in the production of crops. Hot and dry weather over much of the country lowered the production of corn, spring wheat and hay. On the other hand, yields of some other crops improved, notably barley, rice, dry beans and peas, tobacco, and sugarbeets. The cotton

crop, which requires less moisture than some other crops, suffered little damage when we consider the crop as a whole. This year's production of livestock and livestock products still promises to be an all-time record, 19 percent above the 1947-49 level and about 4 percent larger than last year.

The total farm output (*crops, livestock, and livestock products*) based on the August crop report, is indicated at 106 (1947-49=100) as compared with 109 in July (*see table below*). The index of all crops now stands at 98, compared with 102 in July; and crop production per acre also is at 98, compared with the index of 102 in July. Changes in weather conditions during the rest of this year could, of course, result in some further change in the volume of output. No big change is likely, however, this late in the year.

### United States Farm Production, Indicated 1954

*With Comparisons—Index Numbers, 1947-49=100<sup>1</sup>*

Item	1947-49	1949-53	1953	Indicated 1954
Total Farm Output.....	100	104	108	106
<i>All livestock and livestock products</i> .....	100	109	114	119
<i>All crops</i> .....	100	101	103	98
<i>Feed used by farm horses and mules</i> <sup>2</sup> .....	100	73	57	51
Cropland used.....	100	100	100	100
Crop production per acre <sup>3</sup> .....	100	101	103	98
Animal units of breeding livestock <sup>4</sup> .....	100	102	103	107
Livestock production per breeding unit <sup>4</sup> .....	100	107	111	111

<sup>1</sup> Prepared jointly by *Agricultural Research Service* and *Agricultural Marketing Service*, USDA. Indications for 1954 based on August 1954 crop report and other releases of *Agricultural Estimates Division, Agricultural Marketing Service*. For historical data and explanation of indexes see "Changes in Farm Production and Efficiency" PERB 3, ARS.

<sup>2</sup> Hay and concentrates only. Not included in farm output.

<sup>3</sup> The index of crop production per acre is a ratio of total crop production to total land used for crops. It differs from the AMS index of yields per harvested acre of 28 crops.

<sup>4</sup> Animal units and production exclude horses and mules.



# Getting Started With Irrigation

## In the Humid East

### Some Pointers to Farmers in Making Their Plans

**T**HE SUCCESS of a venture into irrigation farming rests on two major factors, which are: (1) the proper design of the system to fit your farm, and (2) the proper operation of the system in accordance with the standards of the original design. Both of these items—proper design and proper operation—are essential to success. If either is neglected, the other cannot succeed.

Many well designed irrigation systems have failed to do their job because they were not properly operated. Likewise, misfit equipment and poor layout can make it impossible to do a good job of operation.

Most farmers cannot be expected to design their own irrigation systems. Therefore, it is recommended that (1) if you desire to use sprinklers, you should purchase your sprinkler system from a reputable dealer, who can furnish adequate engineering assistance to assure proper design, and (2) if you plan to irrigate with water flowing over the surface, you should have a competent irrigation engineer lay out and supervise the construction of the irrigation system. If such service is not available through your dealer or private engineers, contact your local soil conservation district for assistance. The important thing is to be sure that you get a system that is designed to fit your farm.

### Check Water Supply

Another important question confronting the farmer who is planning the installation of an irrigation system is: "Do I have enough water?"

Most farmers who are not experienced in irrigation do not realize the large quantities of water that are required to do an adequate job of irrigating. We must always remember that irrigation systems will be used the most during drought periods, when

streams are dry, ponds are low, and the needs for livestock and domestic use are the greatest. If the irrigation system is not capable of carrying us through a severe drought period without damage to the crops, there is considerable doubt as to its feasibility.

Time spent in planning prior to installing an irrigation system is certainly time well spent. Heed the trite, but sensible, warning that has been often expressed: "Investigate before you invest."

If you think water is going to be scarce, you will do well to limit the area to be irrigated. It is better to do a good job on a small field rather than a poor job on a big field. Your local soil conservation district can help you with your water supply problems.

In order to get maximum returns from your investment you must shoot for high production. This will mean a lot more than just putting on some irrigation water when it gets dry. It means good rotations, high fertilization, and soil conservation. It also means a willingness to work for that extra production, and quality.

Needless to say, certain types of crops are likely to respond more favorably than others. Most of the irrigation in the Eastern United States in the beginning was on truck and nursery crops. In recent years farmers properly situated have begun to irrigate crops like tobacco, corn, and pastures, especially where the land is fertile and high yields are possible.

### Legal Rights to Water

We know that it takes a lot of water to irrigate. What about your legal right to this water? In the Eastern States, rights to water from lakes and streams are governed by the legal concept known as the *riparian* doctrine. Strictly interpreted, *riparian owners* enjoy a right to have water flow by their land undiminished in quantity,

except for what is used by upstream owners for livestock and domestic purposes. They are not entitled to divert or appropriate this water for irrigation.

In actual practice, this doctrine has been modified in many States to permit some irrigation. Many States permit the use of reasonable amounts of water for irrigation of lawns, gardens, and farm crops. But the situation is unsettled in other States because neither the legislature nor the courts have indicated acceptance of the modified doctrine.

Definite action is needed in many States to give the farm irrigator the security he needs. At the present time he is not assured that he has a right to use water from a stream for irrigation. His operations may be stopped by injunction, if his actions cause material damage to riparian users below him. Much of the value of his investment may be lost if riparian owners above him decide to draw on his limited supply for irrigating their crops.

The only apparent answer to this baffling problem in the humid areas in the United States is through the establishment of workable water laws by the legislatures. Until this is done, the irrigation farmers in the humid areas will continue to be groping in the dark insofar as their legal rights are concerned. In some areas, of course, particularly in the coastal plains, there are adequate supplies of water that can be reached by wells. Even in these areas there may be a problem in later years, if irrigation should become widespread.

It is a common fallacy of many new irrigators to depend too much on rainfall. Most of us wait too long to start irrigating. We keep hoping for rain. But we have some advice on this point: don't look up to the sky; instead, look down to the ground and put water on when the soil needs it.

The tendency of many irrigators to shut off their systems the minute it starts to rain causes considerable difficulty. Remember that on most soils you will be applying at least 2 inches of water each time you irrigate. If you get a rain of one-half inch, cut down your application to 1.5 inches, but don't quit! Most of you probably think it rather silly to be moving irri-

#### Other Articles On Irrigation

**I**N ATTEMPTING new things, there are pitfalls along the way, and it was to help make the way a little safer for would-be irrigators that we asked Mr. Quackenbush, Soil Conservation Service engineer, to prepare the accompanying article.

As many of our readers will recall, this is not the first attempt we have made to furnish information about irrigation. An article tracing the growth, or spread, of irrigation in the United States appeared in the April 1953 issue of the *Agricultural Situation*. This was followed, in August 1953, by another article which described the extent of irrigation and prospects for its further use in the eastern part of the United States. And this summer, in our July 1954 issue, we gave the results of some experiments with irrigation in Tennessee. The latter reported success in irrigating pastures for dairy cows. Limited supplies of back issues of the *Agricultural Situation* are on hand for those who have not kept a file or who cannot find the issues wanted in a nearby library. Address the editor, *Agricultural Situation*, AMS, U. S. Department of Agriculture, Washington 25, D. C.

gation pipe or tending irrigation ditches while wearing a slicker and with the rainwater dripping off the end of your nose. Maybe it does look silly to the inexperienced irrigator, but to the man who really knows what he is doing, a good slicker is part of his irrigation equipment. Set up a rain gage or two on your farm and measure the rainfall. Take advantage of all that falls but don't depend on it. *Depend on your irrigation system!*

In summary, the following points are emphasized:

- Check your water supply and your legal right to the water.
- Provide adequate drainage to dispose of excess water.
- Purchase a system designed specifically to fit your farm.
- Operate your system in accordance with the instructions given you.
- Irrigate to keep the soil moisture at the proper level, so watch the soil, not the sky.
- Remember—soil conservation, fertility, and rotations are a part of irrigation farming.

T. H. Quackenbush  
*Soil Conservation Service*



# "Bert" Newell's Letter . . .

## To Crop and Livestock Reporters

THE OTHER EVENING I saw a TV program called "The Big Picture" that showed some Army and Navy operations in the Pacific. Aside from being a very interesting program, it interested me because it seemed to have some very direct relation to the work we are doing in crop and livestock estimating. Then I remembered a letter that came in from out Idaho way, and it just seemed to me that it might be interesting to pass on to our crop and livestock reporters, because this fellow referred to it as "the big picture" and used it to illustrate the reports issued by the Crop Reporting Board.

His letter is a little too long to use entirely but I am going to quote most of it anyway. He says—

"I can remember when I was a boy \* \* \* the folks in our community, the trees, the river, the prairie, and the deep blue skies with puffy white clouds were about all that existed in my life. Oh, I had heard my Dad and Mother talk about far away places, the big cities and the ocean, but they meant very little. I was too involved in the things right around our farm.

"As I grew older, these things grew less exciting and I found myself wondering about the places beyond the horizon. When I played on the high school basketball team, I found out about some communities other than my own \* \* \*

"And then came the Army, and 'D-day,' when we disembarked at a French port. My horizon had stretched out a long way.

"We were a small patrol under the command of Sergeant Blake, the 'old redhead,' as we used to call him, when he couldn't hear us. Out there with our little unit, the burning question with all of us was 'How do we fit into this big mess that's going on all over the place?'

"Sarge used to go to staff meetings and as soon as he got back everybody that could gathered around quick and asked 'what's the big picture, Sarge?' We wanted to know how this little outfit of ours fitted into the whole campaign. He would give us all that he could and we usually felt better. It actually got so that Sergeant Blake's scuttlebutt was about like bread and butter to our detail.

"Sometimes I get to feeling about the same way here on the farm. I guess that experience in the Army just makes me want to know in the worst way how our farm and our community fits into the whole agricultural picture. After I get the reports, sometimes I feel better and sometimes I feel worse. But the worst feeling of all is one of uncertainty \* \* \* and

the crop and livestock reports, for me, dispel that awful feeling of trying to deal with the unknown."

I thought that was a pretty good story our friend sent in, and a good *down-to-earth* illustration of how he was thinking about our agricultural intelligence setup—the Crop and Livestock Reporting Service.

And now, think for a minute just what it takes to get all this information together, and to get it back to you in a way that you can use it. There are some five and a half million farms in our United States. To go out and get information from each one of those farms would require several months and several thousand enumerators. Then it would take a much longer time, and a lot more people, to put the material together and get it back to where it can be used. So in our work we have to depend on the voluntary cooperation of a relatively small sample of farmers who will provide promptly the information on the schedules.

This schedule that you fill out goes into your State statistician's office where it is combined with a large number of others. That summary of the State comes into the Crop Reporting Board in Washington where it is put together with similar information from other States. The final estimates are made, the results are then wired back and disseminated through local papers, radio, television, and mimeograph reports. All this is done in a matter of 10 days and some even think that's too long. But when you consider that this reporting system makes available to you and the Nation as a whole, a comprehensive report on agricultural production on some 150 crops in about 10 days from the time you fill out your schedule, it means pretty fast work all along the line. I think it is something that we can all be pretty proud of.

So when you get that next schedule, take a look at it, think about it a minute. It's a part of this "big picture of agriculture." Let's make it as accurate and complete as we possibly can.

Sterling R. Newell, Chairman  
Crop Reporting Board, AMS



# Study Shows Returns to Farmers

## By Types of Farms

**N**ET FARM INCOME on most types of farms in the United States was not as high in 1953 as in the years immediately following World War II, but was still above the average of the past 24 years for which the Department of Agriculture has comparable data.

Because of the severe drought in the Southern Plains in 1953, average net farm income was the lowest in more than 16 years on nonirrigated cotton farms in the High Plains of Texas, but it was the highest on record on cotton farms in the Texas Black Prairie area.

Farmers' capital requirements were about at an all-time peak last year partly because of the high prices of farm land, machinery, equipment, and livestock but also because, with modern equipment and techniques, the most economic size of farm is continually becoming larger.

This information is based on a report just published by USDA's *Production Economic Research Branch*. The report is an annual supplement to the previously published study of costs and returns of important types and sizes of commercial family operated farms.

Three measures of returns to farm families are shown in the accompanying table (page 9). Net farm income includes the value of farm products used in the home and the rental value of the farm dwelling, and allows for physical changes in inventories. It is the total return to operator and family labor, management, and capital. It includes a return to capital whether owned by the farm operator, landlord, or mortgagor. The return to operator and family for labor and management is computed by deducting a charge for the use of capital from net farm income. To the extent that a farmer owns the capital which he uses he has available a part or all of this charge for capital as income in addition to return for labor and management.

### Returns Up for Spring Wheat and Black Prairie Cotton

Returns to operator and family for labor and management were higher in 1953 than in 1952 on the spring wheat and the Black Prairie cotton farms,

but they were lower on all other types of farms. On nonirrigated cotton farms in the High Plains and on cattle and sheep ranches in the Northern Plains, no returns were available to operator and family for their labor and management after deducting an interest charge on farm capital from net farm income. The purchasing power (the amount of goods and services for farm family living that these returns would buy) of labor returns in 1953 was below the 1947-49 average on all farms. It was below the 1937-41 average on 5 of the 18 types of farms for which information for the earlier period is available.

Returns per hour to operators and their families for labor and management ranged from \$3.42 on wheat-pea farms in Washington and Idaho to a net loss on cattle and sheep ranches in the Northern Plains and nonirrigated cotton farms in the High Plains area of Texas. In contrast with the net loss on nonirrigated cotton farms in the Texas High Plains, labor returns in 1953 on irrigated cotton farms in the same area averaged \$2.95 an hour. Nearly all of this difference in returns was due to difference in crop yields on the two types of farms.

Net farm production in 1953 was higher than in 1952 on 11 of the 19 types of farms included in the study; compared with 1947-49, net farm production was higher on 15 of the 19 farm types; compared with 1937-41, it was higher on 16 of 18 farm types. Data for 1937-41 are not available for irrigated cotton farms in the High Plains of Texas.

### Rainfall and Yields Big Factors

Year-to-year changes in net farm production are closely associated with crop yields and pasture conditions, which in turn, are closely related to rainfall. On all except one of the eight types of farms on which net farm production was lower in 1953 than in 1952, crop yields also were lower. Crop yields were lower also on the two types of dairy farms in Wisconsin and

on the wheat-pea farms, even though net farm production was higher in 1953 than in 1952. Production increased on the Wisconsin dairy farms probably because more feed was obtained from improved pastures, and because pasture production is not included in crop yields. Increased production in 1953 on wheat-pea farms resulted from an increase in cropland harvested, and from a larger acreage of peas, a higher value crop than wheat.

### Farming Practices and Price Changes Important

Over a period of years, crop yields may change significantly for reasons other than rainfall. Improved varieties of seed, including hybrids, increased use of fertilizers and pesticides, and more timely operations and adequate preparation of seedbeds have contributed to the upward trend in yields. Compared with 1947-49, crop yields in 1953 were higher on 12 of 19 types of farms and compared with 1937-41, they were higher on 17 of 18 types of farms for which data are available.

Prices received for products sold in 1953 averaged lower than in 1952 for all types of farms included in the study. The decrease ranged from a 32 percent decline on cattle ranches to only 1 percent on hog-dairy farms. Among the major products sold on these types of farms, prices declined most from 1952 to 1953 for cattle, lambs, cotton, corn, butterfat, milk, and soybeans in that order. Price increases were greatest for hogs, with prices of chickens, tobacco, and wheat increasing also.

Relative to 1947-49, prices received by farmers were lower in 1953 on 15 of the 19 types of farms. They dropped most on cattle ranches. Since 1947 prices have fluctuated most on sheep ranches, ranging from a high of 170 percent of 1947-49 in 1951 to a low of 90 percent in 1953. They fluctuated least on tobacco farms.

### Many Cost Items Up

Farmers throughout the country paid higher prices in 1953 than in 1952 for most industrially produced items, such as machinery, equipment, motor supplies, building and fence materials, fertilizer and pesticides. Wage rates

and property taxes also were higher in 1953. Prices paid for feed and for feeder and replacement livestock were considerably lower in 1953.

Cost per unit of production was higher in 1953 than in 1952 on 6 of 19 types of farms. It was higher in 1953 than in 1947-49 on all but the western Wisconsin dairy farms. The greatest increase was on *nonirrigated* cotton farms in the High Plains, because of the low volume of production in that area in 1953. Year-to-year changes in per unit cost of production are largely the result of changes in output and in prices paid for items used in production. Net farm production in 1953 for High Plains nonirrigated cotton farms was the lowest since 1937, the first year for which comparable data are available. Because of the drought in 1953, abandonment of cotton was very high and yield per harvested acre was only 46 percent of 1947-49. Prices paid for production items averaged nearly 20 percent above the average for 1947-49. On the other hand, net farm production in 1953 on western Wisconsin dairy farms was almost 20 percent above the 1947-49 average, and prices paid for items used in production averaged only 5 percent higher than in 1947-49.

Total operating expenses<sup>1</sup> continued to rise in 1953. Operating expenses per dollar of gross income also were higher in 1953 than in 1952 on all except the wheat-corn-livestock farms, where greater production caused gross income to increase more than operating expenses. On all types of farms prices received in 1953 were lower than in 1952 so that gross income in 1953 also was considerably lower than in 1952, and costs per dollar of gross income were higher despite slightly lower operating costs on most farms.

Total farm costs, including charges for capital and for operator and family labor, were somewhat higher in 1953 than in 1952 on 11 types of farms and lower on 8 types of farms included in the study. Some of the reduction in total farm costs resulted from the lower charge for capital invested in livestock. Livestock numbers were larger on

<sup>1</sup> Includes all cash expenditures for production goods and services adjusted for changes in inventory of machinery, equipment and service buildings.



# Returns to 19 Types of Family-Operated Farms, 1953

Type of farm and location	Net farm income	Return to operator and family for labor and management		Operator and family labor used
		Total for the year	Per-hour return	
<i>Dairy farms:</i>	<i>Dollars</i>	<i>Dollars</i>	<i>Dollars</i>	<i>Hours</i>
Central Northeast.....	3,316	1,781	0.49	3,610
Eastern Wisconsin.....	3,926	2,238	.59	3,810
Western Wisconsin.....	3,166	2,014	.56	3,620
<i>Corn Belt farms:</i>				
Hog-dairy.....	5,895	3,756	1.01	3,720
Hog-beef raising.....	3,280	1,486	.47	3,130
Hog-beef fattening.....	6,982	3,916	1.09	3,600
Cash grain.....	7,656	3,465	1.22	2,850
<i>Tobacco-livestock farms:</i>				
Kentucky Bluegrass.....	3,457	2,201	.79	2,770
<i>Cotton farms:</i>				
Southern Piedmont.....	1,263	459	.17	2,680
Delta of Mississippi.....	2,949	2,331	.83	2,820
Black Prairie, Texas.....	3,578	2,174	.84	2,580
High Plains, Texas (nonirrigated).....	-25	-1,902	-1.04	1,830
High Plains, Texas (irrigated).....	10,736	6,609	2.95	2,240
<i>Spring wheat farm (N. Plains):</i>				
Wheat-small grain-livestock.....	3,780	1,557	.59	2,620
Wheat-corn-livestock.....	3,749	1,476	.43	3,420
<i>Winter wheat farms:</i>				
Wheat-pea (Washington and Idaho)...	13,538	6,875	3.42	2,010
<i>Sheep ranches:</i>				
Northern Plains.....	4,649	-179	-.04	4,320
<i>Cattle ranches:</i>				
Northern Plains.....	3,464	-618	-.18	3,400
Intermountain region.....	4,619	959	.24	4,020

January 1, 1953 than a year earlier, but values per head were considerably lower.

For the country as a whole, farm production expenses in 1953 were 4 percent lower than in 1952. For the 19 types of farms covered in this report, operating expenses in 1953 were about 2 percent lower than in 1952. Some of this difference is because individual farms are growing larger while the total number of farms is declining. Consequently, the cost of operating individual farms could increase while the production expenses of all farmers in the country go down.

Production per unit of input is one measure of change in efficiency of farm operations. It is a ratio of net farm production at 1947-49 prices to total farm costs at 1947-49 prices,

and thus measures changes in volume of output for each unit of production factors used in producing the commodities on a farm. Generally speaking farms on which corn and small grains are important enterprises show more improvement in efficiency than farms on which livestock and cotton are important. Mechanization has been more widely adapted on grain than on livestock farms. This has permitted farmers to increase the size of their operations, to get their field work done at a more effective time, and thus to increase output per farm and per man. Also improved varieties of seed and use of more fertilizer probably have benefited crop farmers more than livestock farmers.

James Vermeer  
Agricultural Research Service



# Beef and Vegetable Dishes To Be Featured In Marketing Program

SOME of America's favorite foods are going to get well-deserved attention this month. From September 30 through October 9, you'll be hearing a lot about beef-and-vegetable combination dishes—such popular favorites as beef stew, beef pot pie, and all the many other tempting possibilities.

These combinations are going to be featured throughout the country because both beef and vegetables are plentiful. The beef and vegetable industries developed promotional programs in behalf of their commodities. Then, realizing how well their products "team up", they decided to team their facilities in a special campaign.

The result is a beef-and-vegetable combination promotion that's scheduled to extend over the 10-day period from September 30 through October 9. That period has been included in the beef promotion program which the livestock and meat industry is conducting throughout the fall months.

Secretary of Agriculture Ezra Taft Benson has endorsed the beef promotional program, and this special beef-and-vegetable campaign. He has expressed confidence that the cooperative efforts will do much to help solve the marketing problems of both industries. He has also pledged full assistance of the U. S. Department of Agriculture. Department agencies will aid the merchandising efforts through continued work with food trade groups throughout the country. And informational and educational facilities will be utilized fully to further the program.

Farmers have a direct interest in this beef-and-vegetable campaign besides a farmer's usual interest in such satisfying food. The basis of the campaign is the ample supply of both beef and vegetables in prospect for this period. Cattle numbers are at a record high level and this beef promotion drive is intended to help farmers in marketing their cattle.

## September "Plentiful Foods"

BEEF IS THE FEATURE of the list of September plentiful foods prepared by the Agricultural Marketing Service. All beef is in good supply, but the moderately-priced kinds are especially abundant, as marketings of grass-fed cattle increase seasonally.

Poultry products included on the September list are turkeys, broilers and fryers, hens, and medium and small eggs. Milk and other dairy products also continue abundant.

Liberal supplies of fresh vegetables are available from market gardens near consuming centers, supplemented by shipments from specialized producing areas. Also included are lemons and lemon products and limes and lime products.

Rice is an addition to the list this month, as a bumper crop starts to market. Honey, peanuts and peanut butter, and vegetable shortenings and salad oils are the other items on USDA's September listing.

Marketings of grass-fed cattle have started to increase, and will continue to gain seasonally through the fall. Beef from these cattle is mostly of the intermediate grades, carrying less fat than the higher grades. So, while all beef will be plentiful, there'll be especially good supplies of the moderately-priced grades, best suited for making stews, pot pies, and similar dishes.

The beef-and-vegetable campaign also takes full advantage of the harvest peak for most hardy vegetables. Supplies of such staples as potatoes, onions, carrots and turnips are expected to be good, as markets receive shipments from the States which harvest late in the year.

But consumers—farmers and non-farmers alike—also were given consideration in selecting the period to feature beef-and-vegetable combinations. Careful attention was given to choosing a time best suited to building up demand. And September 30 to October 9 was selected as the ideal period—a time when appetites jaded by summer's heat will be revived, and ready for hearty fare. Satisfying flavor and "stick-to-the-ribs" qualities are among the many reasons for the traditional popularity of beef-and-vegetable combination dishes—reasons why they're likely to be more popular than ever, from September 30 through October 9.

Philip V. Fleming  
*Agricultural Marketing Service*

# Looking At Cotton Supplies From Various Angles

## Carryover Expected To Be Down Next Year

**M**OST COTTON PRODUCERS are vitally interested in the supply of cotton in the United States. They are interested in their own production, and in the production of other farmers—in the size of the crop. Yet, the size of the cotton crop only partly determines the supply of cotton. The carryover of cotton is the other major segment of the supply picture. The carryover figure does not appear as if by magic but results from the interplay of various economic forces.

The carryover of cotton (stocks on August 1) has shown wide variation from year to year. For example, during the late 1930's and early 1940's the carryover of cotton was more than 10 million bales, reaching a 13-million peak in 1939. The carryover during this period was about equal to a full year's disappearance, or consumption plus exports. Yet in 1947, the carryover was only 2.5 million bales, 8.6 million smaller than that of 1945.

In some years the carryover has accounted for as large a proportion of the supply of cotton as the crop itself. Yet in years of small carryover, the crop must be largely depended upon to fill the demand for cotton.

Even though the carryover can be an important part of the total supply, the size of the carryover is itself determined by relation of supply and disappearance in the preceding 12 months. For cotton the marketing year extends from August 1 to July 31 and the carryover is the amount of cotton left in stock at the end of a marketing year. Our supply is the carryover, plus the crop, plus any imports. But how does disappearance vary and what causes it to vary?

### Disappearance Varies—Many Factors

Disappearance often varies quite sharply from year to year. For example, in the 1952-53 season disappearance was 12.6 million bales, 2.1 million smaller than in the preceding season.

Disappearance is combined of two major components, exports and domestic mill consumption. Since the end of World War II, domestic mill consumption has been much larger than exports. In the 1953-54 marketing year, mill consumption was 8.6 million bales and exports were 3.8 million.

Some of the main causes for variations in exports were discussed in the *Agricultural Situation* last June. (See "Are We Recouping Our Cotton Trade?," pages 5 and 6.) Briefly, foreign consumption and supply and the relationship between foreign and domestic prices for cotton affect our exports. In addition foreign supply, foreign prices, and domestic prices all affect each other.

Domestic mill consumption has a different set of forces which cause it to vary. The principal factors affecting mill consumption in the United States are (1) the level of consumers' income, (2) competition from substitute fibers, (3) the price of cotton, and (4) inventory adjustments.

Since most cotton products eventually are used by ultimate consumers, it is quite obvious that the level of consumer purchasing power is quite important in determining cotton consumption. Since cotton products can be used for a long time, sharp changes in consumer income from one year to the next have an additional affect on cotton consumption.

Consumers make their needs known at the retail level. There are many processing and marketing steps between the consumer and the cotton mill. The businessmen between the mill and the consumer cannot always anticipate changes in consumer demand. If they misestimate consumer demand, inventories may pile up; or they may fall to low levels. When inventories get out of balance—that is, too large or too small—the businessmen either increase or decrease their orders for cotton products in order to adjust their inventories. The change in demand stimulated by the adjustments eventually filters back to the cotton



mill. Such shifts in demand are reflected in changes in the mill consumption of cotton.

In addition other fibers, such as rayon and acetate, compete with cotton for the consumer's favor. If consumers prefer another fiber for a particular use, cotton loses that market. To the extent that other fibers capture consumer's favor, the consumption of cotton is reduced.

All of us have had the experience of buying an item from one store in preference to another because of a cheaper price. Furthermore, lower prices for our purchases enables us to increase the number of items, in the aggregate that we buy. These effects apply to raw cotton also. As cotton prices increase, the quantity of cotton consumed tends to decrease. As cotton prices decline, the quantity of cotton consumed tends to increase.

In addition to the four main forces which affect cotton consumption, there are other subsidiary factors. These factors are usually of minor importance, but occasionally they are important. Two of these forces are the use by our military forces of cotton products and the export of cotton textile products.

Normally military demand is relatively small and relatively stable. However, in times of intense military activity such demand becomes highly important. Also, in times of war, labor available for producing cotton textiles for civilian use is sometimes limited. Thus, variations in military activity affect the mill consumption of cotton in two ways.

Usually the United States exports a relatively small amount of cotton textiles as compared with raw cotton and these exports were relatively stable before World War II. Because of the war, cotton textile production abroad was curtailed during the postwar years. As a result, exports of cotton textiles by the United States increased sharply. As time went by, foreign production of cotton textiles increased to more than the pre-war level and exports of cotton textiles from the United States have declined during the past couple of years.

It is difficult to isolate the effects of each of these factors on mill consumption of cotton. Each of them acts at the same time and their joint ef-

fect determines the consumption of cotton. However, these effects can be quite sharp. For example in 1952-53, United States mills consumed about 9.5 million bales of cotton, but in 1953-54 they consumed only 8.6 million. In 1953-54 an inventory adjustment occurred, the military forces procured a smaller amount of cotton products, and cotton textile exports declined.

## The Current Marketing Year

Where do we stand with respect to the prospective carryover on August 1, 1955? We expect the disappearance of cotton in 1954-55 to approximate 13.7 million bales, about 1.3 million above 1953-54. Both exports and domestic mill consumption are expected to increase.

Exports will probably increase from 3.8 million bales to about 4.5 million. The causes of this increase are large consumption and low stocks at the start of the season abroad. Unless United States exports increase, foreign free world production just will not be large enough to satisfy foreign mill consumption without causing a depletion in their already small stocks.

Domestic mill consumption is expected to increase from about 8.6 million bales to around 9.2 million. The military forces are expected to increase their purchases of cotton textiles, and a downward adjustment in inventories has run its course. Increases in advance orders for gray goods which occurred in recent months, may indicate an upward movement in stocks of textile items.

We started the season with a carryover of about 9.6 million bales. The 1954 crop will be about 12.6 million (*Aug. 1 estimate*) and we can expect to import approximately 0.2 million. Our total supply will probably be about 22.4 million bales.

If we subtract the 1954-55 disappearance from the supply we are left with an August 1, 1955, carryover of about 8.7 million bales. This is 0.9 million smaller than a year earlier.

The carryover figure looks simple. Yet, as we have seen, it is the result of a set of complicated relationships which affect both the supply of, and the demand for, cotton.

Frank Lowenstein  
*Agricultural Marketing Service*



## Labor Plays Expanding Role in Marketing Farm Products

(Continued from page 2)

juices. They can be saved over long periods and moved to consumers who might never have enjoyed them. The processing, shipping, and selling puts more labor to work but the farmer and the consumer also gain. In fact, such added enterprises—*not unlike the invention of a useful machine*—gives momentum to the wheels of commerce, and the whole economy gains.

There is a further observation that might be made for the benefit of consumers:

In a sense, we are all consumers and some of us may be in a position where we prefer to keep our expenses down by buying as much as possible in the rough form. There are some families who have more time than money and find it to their advantage to pass over the more costly pre-prepared foods; there are others who find that they have to keep household servants anyway, so it is to their advantage also to buy largely of the unfinished foods, else they pay twice for the work that goes into the preparation. Flour, for example is still available in bulk for making bread; potatoes can be bought in hundred pound bags; and you don't have to buy your vegetables precleaned.

The saving in time spent in preparing food in the home and the effect on a family's food budget resulting from the purchase of partially prepared food was demonstrated by a test recently conducted in the Department of Agriculture. Food was purchased in three forms, (1) with as little advance preparation as the market affords, (2) partly prepared, and (3) ready to serve.

It was found that meals using ready-to-serve foods cost over a third more, but took only about a quarter as much of the homemaker's time, compared with meals for which more preparation was done in the home kitchen. Meals emphasizing the use of partially prepared foods were a sixth higher in cost and about half as time consuming as the home-prepared meals. Part of the additional cost is for labor in the food factories. Results of the test indicated that the homemaker was able to earn about 45 cents an hour for the extra time she put into preparing the meals requiring the most preparation in the home.

## Outlook Highlights

... September 1954

**C**ONSUMERS continue to spend about a fourth of their income for food and "record" consumer income has been holding demand for food and other products at high levels.

Earlier prospects for farm production this year have been changed by drought from "record" to third place. Total farm production (based on the August crop report) is indicated a little below the 1952 and 1953 totals and down about 3 percent from the estimate made early in July (see p. 3 for further details on output). Rain in late July and August eased the drought situation in many parts of the country \* \* \* was particularly beneficial for planting and growth of emergency feed crops.

### Feeds

The July drought cut the prospective feed concentrate supply from 191 million tons on July 1 down to 175 million on August 1. Supply is estimated to be about 4 million tons above that of last year and 10 million above the 1947-51 average. Because of the increase in the number of animals to be fed, however, supplies per animal unit are about the same as last year and average.

### Wheat

Supplies of wheat for 1954-55 add up to a record 1,884 million bushels—the crop of 978 million as estimated August 1, the carryover of 903 million, and imports of perhaps 3 million. The total is likely to exceed use by around 100 million bushels, leaving about a billion bushels in the carry-over next July 1. The national acreage allotment for next year's wheat is 55 million, 7 million less than this year's allotment.

### Cotton

Production of 12.7 million bales was indicated August 1, 23 percent less than in 1953. Acreage is a fifth below last year. Yields per acre are above last year in all areas except the Southwest (Texas and Oklahoma) where they are down 11 percent.

### Tobacco

Demand for flue-cured tobacco is continuing strong and this year's crop is expected to be up 5 percent from 1953. Sales in type 14 and type 13 auctions through mid-August averaged 49 and 51 cents compared with 51 and 53 a year earlier.

### Fats and Oils

Prices for cottonseed are expected to average above support levels this season, soybeans at or above, and peanut prices about at support. Yield per acre for soybeans is lowest since 1947 but acreage planted was largest in history and a record crop was in prospect August 1. Output of cottonseed is likely to be down nearly a

fourth from last year and the peanut crop in prospect is lowest since 1939.

### Potatoes and Sweetpotatoes

Smaller production will keep potato prices well above a year earlier during the rest of 1954. The late crop which provides the bulk of the year's output is down 5 percent; the intermediate crop is off 18 percent. This year's sweetpotato crop is down 9 percent from last year and is the third smallest since 1881. Prices are expected to average at least as high as for the 1953 crop.

### Livestock

Prices of fed cattle are expected to continue close to present levels the next few months. Grass cattle prices probably will show about usual seasonal decline. Seasonally increasing marketings and declining prices are in prospect for hogs, particularly, until the middle of October. Hog prices will continue below a year ago. Sheep and lamb slaughter have been running well above last year and prices for

lambs are down sharply. Substantial recovery is not likely until fall marketing season is passed.

### Dairy Products

Milk output has dropped more sharply than usual from the June peak, mainly because of the drought. Milk and butterfat prices are less favorable, compared with feed prices, than in several years. Outlook for the rest of 1954 points to about same production as a year earlier. Total for year is expected to be around 125 billion pounds compared with 121.2 billion in 1953.

### Poultry and Eggs

Prices of poultry products are generally below a year ago. Production of eggs, at a record level in July, will continue well above a year earlier through the fall. Volume marketings of heavy turkeys from the record or near record 1954 crop have started at prices considerably below last year.

## Prices of Farm Products

[Estimates of average prices received by farmers at local farm markets based on reports to the Agricultural Marketing Service. Average of reports covering the United States weighted according to relative importance of district and State]

Commodity	Average		Aug. 15, 1953	July 15, 1954	Aug. 15, 1954	Effective parity price Aug. 15, 1954 <sup>2</sup>
	Base period price <sup>1</sup>	January 1947- Decem- ber 1949				
Basic commodities:						
Cotton, American upland (pound).....	cents. <sup>3</sup> 12. 4	31. 21	32. 79	32. 18	34. 00	35. 09
Wheat (bushel).....	dollars. 4. 884	2. 14	1. 86	2. 00	2. 03	2. 50
Rice (cwt.).....	do. 1. 94	5. 38	5. 32	4. 14	4. 10	5. 47
Corn (bushel).....	do. 4. 642	1. 64	1. 48	1. 50	1. 53	1. 82
Peanuts (pound).....	cents. 4 4. 8	10. 2	11. 1	11. 2	11. 4	13. 6
Designated nonbasic commodities:						
Potatoes (bushel).....	dollars. 5. 535	1. 48	. 842	1. 49	1. 41	1. 51
Butterfat in cream (pound).....	cents. 26. 5	71. 2	64. 7	55. 7	55. 7	74. 7
All milk, wholesale (100 lb.) <sup>6</sup> .....	dollars. 1. 68	4. 42	4. 18	3. 71	3. 88	4. 74
Wool (pound).....	cents. <sup>8</sup> 20. 9	46. 0	54. 5	55. 0	54. 2	58. 9
Other nonbasic commodities:						
Barley (bushel).....	dollars. . 484	1. 37	1. 10	1. 00	1. 01	1. 36
Cottonseed (ton).....	do. 25. 50	71. 60	56. 70	54. 00	61. 30	71. 90
Flaxseed (bushel).....	do. 1. 60	5. 54	3. 21	3. 17	3. 03	4. 51
Oats (bushel).....	do. . 311	. 852	. 717	. 668	. 675	. 877
Rye (bushel).....	do. . 605	1. 82	1. 15	. 992	1. 08	1. 71
Sorghum, grain (100 lb.).....	do. <sup>4</sup> 1. 21	2. 53	2. 42	2. 20	2. 22	<sup>9</sup> 2. 56
Soybeans (bushel).....	do. 1. 00	2. 84	2. 40	3. 47	3. 23	2. 82
Sweetpotatoes (bushel).....	do. . 988	2. 36	3. 50	3. 02	2. 59	2. 79
Beef cattle (100 lb.).....	do. 7. 50	20. 20	16. 10	15. 80	15. 90	21. 20
All chickens (pound).....	cents. 10. 6	29. 3	25. 7	22. 4	21. 5	29. 9
Eggs (dozen).....	do. 16. 6	46. 6	50. 2	34. 4	37. 4	46. 8
Hogs (100 lb.).....	dollars. 7. 34	21. 90	23. 30	21. 20	21. 60	20. 70
Lambs (100 lb.).....	do. 8. 16	21. 90	20. 00	19. 50	18. 50	23. 00
Calves (100 lb.).....	do. 8. 28	22. 60	16. 10	16. 10	15. 80	23. 30
Oranges, on tree (box).....	do. <sup>5</sup> 2. 29	1. 23	. 66	2. 32	2. 84	<sup>9</sup> 3. 10
Apples, for fresh use (bushel) <sup>10</sup> .....	do. 1. 00	2. 39	3. 03	2. 96	2. 72	2. 82
Hay, baled (ton).....	do. <sup>4</sup> 11. 87	22. 40	20. 60	19. 90	21. 20	<sup>9</sup> 25. 20

<sup>1</sup> Adjusted base period prices 1910-14 used for computing parity prices. Derived from 120-month average January 1944-December 1953 unless otherwise noted.

<sup>2</sup> Parity prices are computed under the provisions of title III, subtitle A, section 301 (a) of the Agricultural Adjustment Act of 1938 as amended by the Agricultural Acts of 1948 and 1949.

<sup>3</sup> 60-month average, August 1909-July 1914 for all cotton.

<sup>4</sup> 60-month average, August 1909-July 1914.

<sup>5</sup> Adjusted base period price 1910-14 derived from 10-season average prices 1944-53.

<sup>6</sup> Prices received by farmers are estimates for the month.

<sup>7</sup> Preliminary.

<sup>8</sup> 10-season average 1919-28.

<sup>9</sup> Transitional parity, 75 percent of parity price computed under formula in use prior to Jan. 1, 1950.

<sup>10</sup> Prices prior to July 1954 include some processing.



# Economic Trends Affecting Agriculture

Year and month	Industrial production (1947-49=100) <sup>1</sup>	Total personal income payments (1947-49=100) <sup>2</sup>	Average earnings of factory workers per worker (1910-14=100)	Wholesale prices of all commodities (1910-14=100) <sup>3</sup>	Index numbers of prices paid by farmers (1910-14=100)			Index numbers of prices received by farmers (1910-14=100)			
					Commodities	Wage rates for hired farm labor <sup>4</sup>	Commodities, interest, taxes and wage rates	Livestock and products			
								Dairy products	Poultry and eggs	Meat animals	All livestock
1910-14 average.....	-----	-----	100	100	100	100	100	100	100	100	100
1925-29 average.....	53	-----	232	143	151	181	161	161	155	145	152
1935-39 average.....	51	534	199	118	124	121	125	119	110	117	116
1947-49 average.....	100	100	462	225	240	430	250	275	229	334	292
1950 average.....	112	112	515	232	246	425	256	249	186	340	280
1951 average.....	120	126	563	258	271	470	282	286	228	409	336
1952 average.....	124	134	593	251	273	503	287	302	206	353	306
1953 average.....	134	142	624	247	262	513	279	273	221	298	273
<b>1953</b>											
August.....	136	143	624	248	261	-----	279	265	229	305	276
September.....	133	142	622	249	259	-----	277	275	230	299	276
October.....	132	142	629	248	258	515	276	282	234	273	266
November.....	129	142	624	247	259	-----	277	288	224	267	263
December.....	126	142	630	247	260	-----	278	282	218	285	269
<b>1954</b>											
January.....	125	141	618	249	263	525	282	274	213	309	277
February.....	124	141	622	248	264	-----	282	267	208	315	277
March.....	123	141	617	248	264	-----	283	257	188	316	271
April.....	123	141	612	249	265	507	283	237	178	333	271
May.....	124	142	620	249	267	-----	284	230	168	331	267
June.....	124	142	624	247	265	-----	282	229	168	299	251
July.....	124	-----	618	248	263	505	280	237	171	286	247
August.....	-----	-----	-----	-----	264	-----	282	245	178	287	251

Year and month	Index numbers of prices received by farmers (1910-14=100)								All crops and live-stock	Parity ratio %
	Crops									
	Food grains	Feed grains and hay	To-bacco	Cotton	Oil-bearing crops	Fruit	Com-mercial vege-tables	All crops		
1910-14 average.....	100	100	100	100	100	100	-----	100	100	100
1925-29 average.....	140	118	169	150	135	146	145	143	148	92
1935-39 average.....	94	96	172	87	113	91	107	98	108	86
1947-49 average.....	246	230	384	264	318	183	249	247	271	108
1950 average.....	224	193	402	232	276	194	211	233	258	191
1951 average.....	243	226	436	336	339	181	269	265	302	107
1952 average.....	244	234	432	310	296	191	274	267	288	100
1953 average.....	231	208	429	268	274	206	240	242	258	92
1953										
August.....	215	205	430	278	263	185	207	232	255	91
September.....	219	207	452	280	251	204	191	235	257	93
October.....	223	194	439	275	255	189	198	229	249	90
November.....	229	195	433	269	263	205	218	234	249	90
December.....	230	205	427	260	269	237	224	238	254	91
1954										
January.....	233	207	420	254	268	222	271	240	259	92
February.....	236	208	443	258	269	210	233	237	258	91
March.....	238	208	443	263	275	212	246	239	256	90
April.....	234	208	443	267	283	217	225	240	257	91
May.....	227	207	446	272	286	215	279	249	258	91
June.....	216	205	445	274	283	240	200	244	248	88
July.....	225	202	446	272	286	228	243	248	247	88
August.....	228	207	430	288	294	235	223	250	251	89

<sup>1</sup> Federal Reserve Board: represents output of mining and manufacturing; monthly data adjusted for seasonal variation.

<sup>2</sup> Computed from reports of the Department of Commerce; monthly data adjusted for seasonal variation.

<sup>3</sup> Bureau of Labor Statistics.

<sup>4</sup> Farm wage rates simple averages of quarterly data, seasonally adjusted.

<sup>5</sup> Revised.

<sup>6</sup> Ratio of index of prices received to index of prices paid, interest, taxes, and wage rates. This parity ratio will not necessarily be identical to a weighted average percent of parity for all farm products, largely because parity prices for some products are on a transitional basis.



# Brief Items

## of Interest to Farmers

**USDA CONTRACTS FOR RESEARCH ON DEVELOPING COTTON FABRICS THAT DRAPE BETTER**—Contract with the Fabric Research Laboratories, Boston, Mass., is to develop cotton fabrics having significantly improved draping qualities for specific clothing and household uses. Contract, made through USDA's Southern Utilization Research Branch in New Orleans is scheduled for 2 years.

Drape is of primary importance in wearing apparel and household items that are customarily tailored—where a tailored look is desirable, and where appearance is a major consideration.

**LATEST INFORMATION ON METHODS OF MARKETING EGGS** is contained in "Marketing Eggs," Farmers' Bulletin No. 1373. A single free copy may be obtained from the Office of Information, USDA, Washington 25, D. C.

**1954 COTTON LOAN RATES SET**—Average loan rate for 1954-crop upland cotton, basis Middling  $\frac{7}{8}$  inch, will be 31.58 cents a pound, gross weight. Average loan rate for 1954-crop extra long staple cotton will be the minimum rate previously announced or 65.25 cents a pound, net weight, with an average rate of 65.53 for American-Egyptian and 56.22 for Sea Island and Sea Island.

**SUBSOIL FERTILIZER TESTS**—Agronomists at the West Virginia Experiment Station are conducting experiments on subsoil fertilizing and are studying its effect on plant growth, yield and soil development. A recent report from the Station describes the machine which applies the fertilizer as consisting of a deep chisel that can plow to depths of 20 inches or more. An application nozzle, fed from a hopper, applies the fertilizer behind the chisel, thus leaving an enriched soil zone about 8 inches wide and as deep as the chisel is penetrating.

**TO BAN HITCHHIKING BEETLES**—As of July 24 all airline companies whose planes travel from Japanese beetle-infested areas to noninfested areas of the United States will be required to apply prescribed bug-killing pyrethrum-DDT aerosols before taking off. The new requirement affects only the area east of the Appalachian Mountains and the required spray treatments will be limited to planes that have been exposed to Japanese beetle infestation and are departing for a noninfested part of the United States.

**NEW BOOKLET ON PRE-LOAN TELEPHONE PROCEDURE**—For the first time since the start of the rural telephone loan program the Rural Electrification Administration has wrapped into a single package complete information on obtaining tele-

phone loans. A new booklet, "Pre-loan Procedure for Rural Telephone Companies," REA Bulletin 320-4, has just been published and is available upon request. A companion piece, "Pre-loan Procedure for Rural Telephone Cooperatives," REA Bulletin 320-1, is designed for cooperative-type applicants.

**SOMEWHAT LARGER SUPPLIES OF MAJOR FOODS** will be marketed for civilian use during the rest of the year than a year earlier. *Food prices are likely to average a little below those of recent months,* principally because of heavy farm output.

Significant features of the more abundant food supply will be the increases over the latter part of 1953 in pork, veal, lard, turkey, eggs, processed fruits, fresh vegetables, and rice. Most of these increases stem from greater output. The only major item for which supplies will be down this fall is lamb and mutton. For the year as a whole per capita consumption of food probably will average slightly higher than in 1953.

UNITED STATES  
DEPARTMENT OF AGRICULTURE

AGRICULTURAL MARKETING SERVICE  
WASHINGTON 25, D. C.  
OFFICIAL BUSINESS

PENALTY FOR PRIVATE USE TO AVOID  
PAYMENT OF POSTAGE, \$300  
(GPO)